

## **STATEMENT OF PURPOSE**

### **RS21871**

This legislation revises the provisions governing the Credit Rating Enhancement Committee to better reflect the work of the committee. Idaho Code Section 67-1224 is revised to allow the committee to meet on an as-needed basis. The nature of the debt reviewed by the committee varies with the bond issuance market, the regulatory environment, and the rating agency environment. The committee may meet more frequently than each six months in an active environment and not meet in a six-month period where a meeting is unnecessary.

Idaho Code Section 67-1225 is revised to delete two requirements that are not applicable to Idaho and the debt structure that Idaho maintains. Developing debt forecast and debt capacity targets are not applicable to Idaho because Idaho does not have any long-term debt. The long-term debt that is issued by the participants in the Credit Rating Enhancement Committee are dissimilar. Each agency is issuing debt for its own purposes and needs, which are driven by different factors. This makes it very difficult to forecast debt or to establish capacity targets that are applicable to all of these agencies and the State of Idaho as a whole.

### **FISCAL NOTE**

None.

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